

**PATENT COOPERATION TREATY**  
**PCT**  
**INTERNATIONAL PRELIMINARY REPORT ON PATENTABILITY**  
(Chapter II of the Patent Cooperation Treaty)

REC'D 28 NOV 2005

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(PCT Article 36 and Rule 70)

Applicant's or agent's file reference  P23030PCAU	FOR FURTHER ACTION	See Form PCT/IPEA/416
International application No.  PCT/AU2004/001355	International filing date ( <i>day/month/year</i> )  6 October 2004	Priority date ( <i>day/month/year</i> )  6 October 2003
International Patent Classification (IPC) or national classification and IPC  Int. Cl. <sup>7</sup> G06F 17/60		
Applicant  NAPOLEON CORPORATION et al		

<p>1. This report is the international preliminary examination report, established by this International Preliminary Examining Authority under Article 35 and transmitted to the applicant according to Article 36.</p> <p>2. This REPORT consists of a total of 3 sheets, including this cover sheet.</p> <p>3. This report is also accompanied by ANNEXES, comprising:</p> <p>a. <input checked="" type="checkbox"/> (<i>sent to the applicant and to the International Bureau</i>) a total of 3 sheets, as follows:</p> <p><input checked="" type="checkbox"/> sheets of the description, claims and/or drawings which have been amended and are the basis for this report and/or sheets containing rectifications authorized by this Authority (see Rule 70.16 and Section 607 of the Administrative Instructions).</p> <p><input type="checkbox"/> sheets which supersede earlier sheets, but which this Authority considers contain an amendment that goes beyond the disclosure in the international application as filed, as indicated in item 4 of Box No. I and the Supplemental Box.</p> <p>b. <input type="checkbox"/> (<i>sent to the International Bureau only</i>) a total of (indicate type and number of electronic carrier(s)) , containing a sequence listing and/or table related thereto, in computer readable form only, as indicated in the Supplemental Box Relating to Sequence Listing (see Section 802 of the Administrative Instructions).</p> <p>4. This report contains indications relating to the following items:</p> <table style="margin-left: 20px; border-collapse: collapse;"> <tr> <td><input checked="" type="checkbox"/> Box No. I</td> <td>Basis of the report</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Priority</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Non-establishment of opinion with regard to novelty, inventive step and industrial applicability</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Lack of unity of invention</td> </tr> <tr> <td><input checked="" type="checkbox"/> Box No. V</td> <td>Reasoned statement under Article 35(2) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement</td> </tr> <tr> <td><input type="checkbox"/> Box No. VI</td> <td>Certain documents cited</td> </tr> <tr> <td><input type="checkbox"/> Box No. VII</td> <td>Certain defects in the international application</td> </tr> <tr> <td><input type="checkbox"/> Box No. VIII</td> <td>Certain observations on the international application</td> </tr> </table>		<input checked="" type="checkbox"/> Box No. I	Basis of the report	<input type="checkbox"/>	Priority	<input type="checkbox"/>	Non-establishment of opinion with regard to novelty, inventive step and industrial applicability	<input type="checkbox"/>	Lack of unity of invention	<input checked="" type="checkbox"/> Box No. V	Reasoned statement under Article 35(2) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement	<input type="checkbox"/> Box No. VI	Certain documents cited	<input type="checkbox"/> Box No. VII	Certain defects in the international application	<input type="checkbox"/> Box No. VIII	Certain observations on the international application
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Date of submission of the demand  2 May 2005	Date of completion of the report  18 November 2005
Name and mailing address of the IPEA/AU  AUSTRALIAN PATENT OFFICE PO BOX 200, WODEN ACT 2606, AUSTRALIA E-mail address: pct@ipaaustralia.gov.au Facsimile No. (02) 6285 3929	Authorized Officer  MATTHEW HOLLINGWORTH Telephone No. (02) 6283 2024

## INTERNATIONAL PRELIMINARY REPORT ON PATENTABILITY

International application No.

PCT/AU2004/001355

## Box No. I Basis of the report

1. With regard to the language, this report is based on the international application in the language in which it was filed, unless otherwise indicated under this item.

This report is based on translations from the original language into the following language which is the language of a translation furnished for the purposes of:

- international search (under Rules 12.3 and 23.1 (b))
- publication of the international application (under Rule 12.4)
- international preliminary examination (under Rules 55.2 and/or 55.3)

2. With regard to the elements of the international application, this report is based on (*replacement sheets which have been furnished to the receiving Office in response to an invitation under Article 14 are referred to in this report as "originally filed" and are not annexed to this report*):

the international application as originally filed/furnished

the description:  
 pages 2-43 as originally filed/furnished  
 pages\* 1 received by this Authority on 14 November 2005 with the letter of the same date  
 pages\* received by this Authority on with the letter of

the claims:  
 pages as originally filed/furnished  
 pages\* as amended (together with any statement) under Article 19  
 pages\* 44-45 received by this Authority on 14 November 2005 with the letter of the same date  
 pages\* received by this Authority on with the letter of

the drawings:  
 pages 1, 2 as originally filed/furnished  
 pages\* received by this Authority on with the letter of  
 pages\* received by this Authority on with the letter of

a sequence listing and/or any related table(s) - see Supplemental Box Relating to Sequence Listing.

3.  The amendments have resulted in the cancellation of:

- the description, pages
- the claims, Nos.
- the drawings, sheets/figs
- the sequence listing (*specify*):
- any table(s) related to the sequence listing (*specify*):

4.  This report has been established as if (some of) the amendments annexed to this report and listed below had not been made, since they have been considered to go beyond the disclosure as filed, as indicated in the Supplemental Box (Rule 70.2(c)).

- the description, pages
- the claims, Nos.
- the drawings, sheets/figs
- the sequence listing (*specify*):
- any table(s) related to the sequence listing (*specify*):

\* If item 4 applies, some or all of those sheets may be marked "superseded."

## INTERNATIONAL PRELIMINARY REPORT ON PATENTABILITY

International application No.

PCT/AU2004/001355

**Box No. V      Reasoned statement under Article 35(2) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement****1. Statement**

Novelty (N)	Claims 1-9	YES
	Claims	NO
Inventive step (IS)	Claims 1-9	YES
	Claims	NO
Industrial applicability (IA)	Claims 1-9	YES
	Claims	NO

**2. Citations and explanations (Rule 70.7)**

- D1: WO 2000/033158 A2 (TREIDER et al), 8 June 2000
- D2: WO 2002/031740 A2 (ECREDIT.COM, INC.), 18 April 2002
- D3: US 6,587,841 B1 (DEFRANCESCO et al), 1 July 2003

The above documents represent the closest available prior art, and do not anticipate the claimed invention. In particular, the performance of electronic settlement of contracts and payment schedules is not disclosed, and the system's application to the consumer credit finance industry appears to be inventive.

## **A CONSUMER CREDIT FINANCE CASHFLOW FUNDING SYSTEM**

The present invention is directed towards the electronic processing of various financial instruments of funding, in particular the electronic processing of insurance premium funding services, professional fee funding services, 5 membership fee funding services and retail funding services for merchants.

### **BACKGROUND OF THE INVENTION**

The present invention seeks to improve cashflow funding services presently available. Examples of such cashflow funding services include insurance premium funding services for insurance underwriters, intermediaries 10 and brokers professional fee funding services for professionals such as doctors, dentists, accountants and lawyers; membership fee funding services for groups, associations and organisations and retail funding services for merchants and service providers.

Insurance Premium Funding is the term used to describe a form of finance 15 which allows consumers to pay insurance premiums via an amortised instalment program, thus enabling the insurance broker to receive immediate cashflow and the consumer to conserve working capital. Professional Fee Funding is the term used to describe a form of finance which allows the clients to pay for professional fees via an amortised instalment program, thus enabling the professional to 20 receive immediate cashflow and the client to conserve working capital. Membership Fee Funding is the term used to describe a form of finance which allows the members of groups, associations and organisations to pay for membership fees via an amortised instalment program, thus enabling the group/association/organization to receive immediate cashflow and the member to 25 conserve working capital. Retail Funding is the term used to describe a form of finance which allows the customers of a merchant or service provider to pay for goods and services via an amortised instalment program, thus enabling the merchant/service provider to receive immediate cashflow and the customer to conserve working capital.

30 Consider the following insurance premium funding example of a small business with a "general" insurance premium of \$5000. In order to assist with cash management, an insurance broker may arrange to amortise this premium \$5000. In order to assist with cash management, an insurance broker may arrange to

**THE CLAIMS DEFINING THE INVENTION ARE AS FOLLOWS:**

1. A consumer credit finance cashflow funding system including a local processor operable by a broker, said local processor including an input means to allow said broker to input data in respect of a funding request, and said local processor analysing said data using predefined rules to determine whether funding will be offered in response to said funding request; wherein said local processor synchronises data with a central processor; and wherein when said funding is accepted said system performs electronic settlement of contracts and payment schedules.
- 5
- 10 2. A system as claimed in claim 1, wherein when said local processor synchronises with said central processor, said central processor performs settlement of said funding request.
- 15 3. A system as claimed in claim 1 or 2, wherein following a failed payment said system creates default fees and performs automatic resubmissions.
- 5
- 20 4. A system as claimed in any one of claims 1 to 3, wherein said system forwards delinquent accounts to a debt collection service and notifies all stakeholders.
6. A system as claimed in any one of the preceding claims wherein data stored on said local processor is replicated on said central processor.
- 25 7. A system as claimed in claim 6, wherein said data also includes database table and record identification codes.
8. A system as claimed in any preceding claim wherein when said funding is accepted said system sources said funding from a plurality of funders.

9. A system as claimed in claim 8 wherein said system generates, processes and manages funding contracts for said plurality of funders in order to provide said funding.

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**DATED** this 14<sup>th</sup> day of November 2005

**NAPOLEON CORPORATION AS TRUSTEE FOR THE TECHNOLOGY TRUST**

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